

**Volume 43**  
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# AHK Sri Lanka

**Monthly Newsletter**



**AHK**

Delegation der Deutschen  
Wirtschaft in Sri Lanka  
Delegation of German Industry  
and Commerce in Sri Lanka



**Partner In Sri Lanka**



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# meet our partners!



## AHK Sri Lanka Premier Partners 2023

### PREMIER PLATINUM PARTNERS



**SENOK**

### PREMIER GOLD PARTNERS



### PREMIER SILVER PARTNERS







## Current Development

### **USD 3 Bn under Extended Fund Facility (EFF) Arrangement for Sri Lanka**

The IMF Board approved a 48-month extended arrangement under the Extended Fund Facility (EFF) of about USD 3 Bn to support economic policies and reforms in Sri Lanka.

Among the various tax reforms to be implemented by the Sri Lankan government within the framework of the IMF facility (2022-2025), a nationwide real property tax, gift and inheritance tax with a tax-free allowance and minimal exemptions will be introduced in 2025.

According to the IMF, objectives of the EFF-supported program are to restore macroeconomic stability and debt sustainability, safeguarding financial stability, and stepping up structural reforms to unlock Sri Lanka's growth potential.

### **Promoting MICE tourism in Sri Lanka**

Sri Lanka is promoting Meetings, Incentive travel, Conventions and Exhibitions (MICE) in the tourism industry, and expecting to fill 10%-12% of the 1.55 Mn tourists targeted in 2023.

India, Russia, UK, Germany, France, and China are among the nine countries that Sri Lanka is planning to attract this year.

Recently, a 'Sri Lanka' country pavilion was organized at the world's leading travel and trade show, ITB 2023, held in Berlin.

### **e-Certificate of Origin (eCoO) system for Sri Lankan exporters**

The new eCoO system, implemented by the Department of Commerce (DoC), is a fully digital solution that would revolutionize trade by simplifying and significantly accelerating the

issuance of Preferential Certificates of Origin, which are crucial in determining the origin of goods and their eligibility for preferential treatment under all trade agreements.

The eCoO system has achieved an impressive 94% reduction in the total time required to obtain a CoO and has cut down on the processing time to only 30 minutes.

The eCoO system can be accessed [here](#).

### **German Supply Chain Law: Updated electronic reporting questionnaire published**

An essential component of the Supply Chain Due Diligence Act is the annual report on corporate due diligence duties. (LkSG). On 30 March, the Federal Office of Economics and Export Control (BAFA) updated the electronic questionnaire for the purpose of reporting according to the Supply Chain Due Diligence Act (LkSG).

On the BAFA website, the list of questions is now accessible as an online input mask (Registration is required for this [here](#)). This input mask is used to construct the reports for all companies, which are then transmitted to BAFA. This guarantees that the evaluation is based on consistent evaluation standards. Additionally, the required effort from the companies is reduced to a minimum.

### **Monetary Policy of the Central Bank of Sri Lanka (CBSL)**

The Monetary Board of CBSL decided to raise the Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) of the Central Bank by 100 basis points to 15.50% and 16.50%, respectively, effective from 03 March 2023. The decision was based on the prerequisites of the IMF Extended Fund Facility (EFF) arrangement.



# Economic Data of Sri Lanka

### Economic Growth in Sri Lanka

Sri Lanka’s GDP contracted -7.8 percent in 2022. Agriculture shrank -4.6 percent, industry -16.0 percent and services by -2.0 percent. In the fourth quarter real GDP contracted -12.4 percent, on top a -1.4 percent contraction in 2022, when adjusted for inflation.

### Forecast by the Central Bank of Sri Lanka

According to CBSL, Sri Lanka’s economy is projected to register a real contraction of around -8% in 2022.

### Estimate by the IMF

According to the real GDP estimates by International Monetary Fund (IMF), the economy is expected to contract by -3.0% in 2023.

### Projection by ADB

According to Asian Development Bank (ADB) Sri Lanka's GDP is expected to contract by -8.8% in 2022 and -3.3% in 2023.

### Inflation

Inflation based on the National Consumer Price Index (NCPI) decreased to 50.6% in February 2023 from 51.7% in January 2023.

### Trade Statistics



Earnings from merchandise exports declined by -9.68% in Jan-Feb 2023, to USD 1,983.42 Mn (y-o-y). Exports to the European Union (EU) decreased by 17.31% y-o-y to US\$ 485.83 Mn during the period of January to February 2023

### German Exports to Sri Lanka

Exports from Germany to Sri Lanka amounted to EUR 14,827,000 in January 2023, indicating a decrease of -9.1% compared to the same period of the previous year.

### German Imports from Sri Lanka

Germany imported from Sri Lanka goods amounting to EURO 71,285,000 in January 2023, compared to EURO 82,507,000 in the same period of the previous year, indicating a decrease of 13.6%.

### Sri Lankan Global Exports (Source: EDB)

#### Apparel and Textile Exports

Apparel and Textile exports decreased by -10.18% to USD 906.46 in Jan-Feb 2023. Performance in exports of Apparel decreased (-16.82%) and export earnings from Textiles expanded by 74.16% in Jan-Feb 2023.

#### Rubber-based Exports

Export earnings from Rubber-based finished products decreased by -15.44% to USD 152.45 Mn. The reduction was as a result of lower exports of Pneumatic & Retreated Rubber Tyres & Tubes (-5.22%) and Industrial & Surgical Gloves of Rubber (-35.92%).

#### Tea Exports

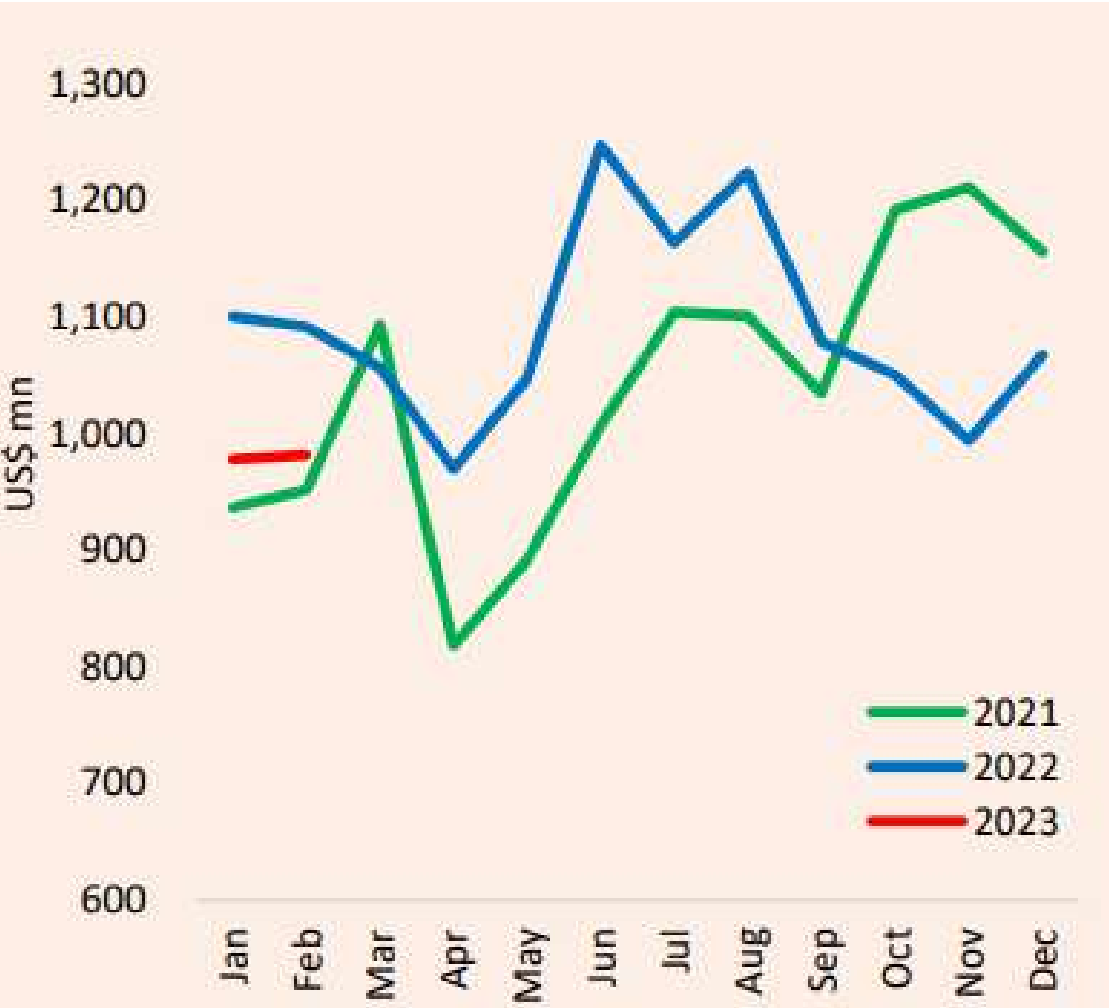
Export earnings from Tea increased by 6.27% to USD 204.13 Mn in Jan-Feb 2023. The increase was driven by Tea packets (14.74%), Instant Tea (42.78%) and Green Tea (21.82%) .

#### Coconut-based Exports

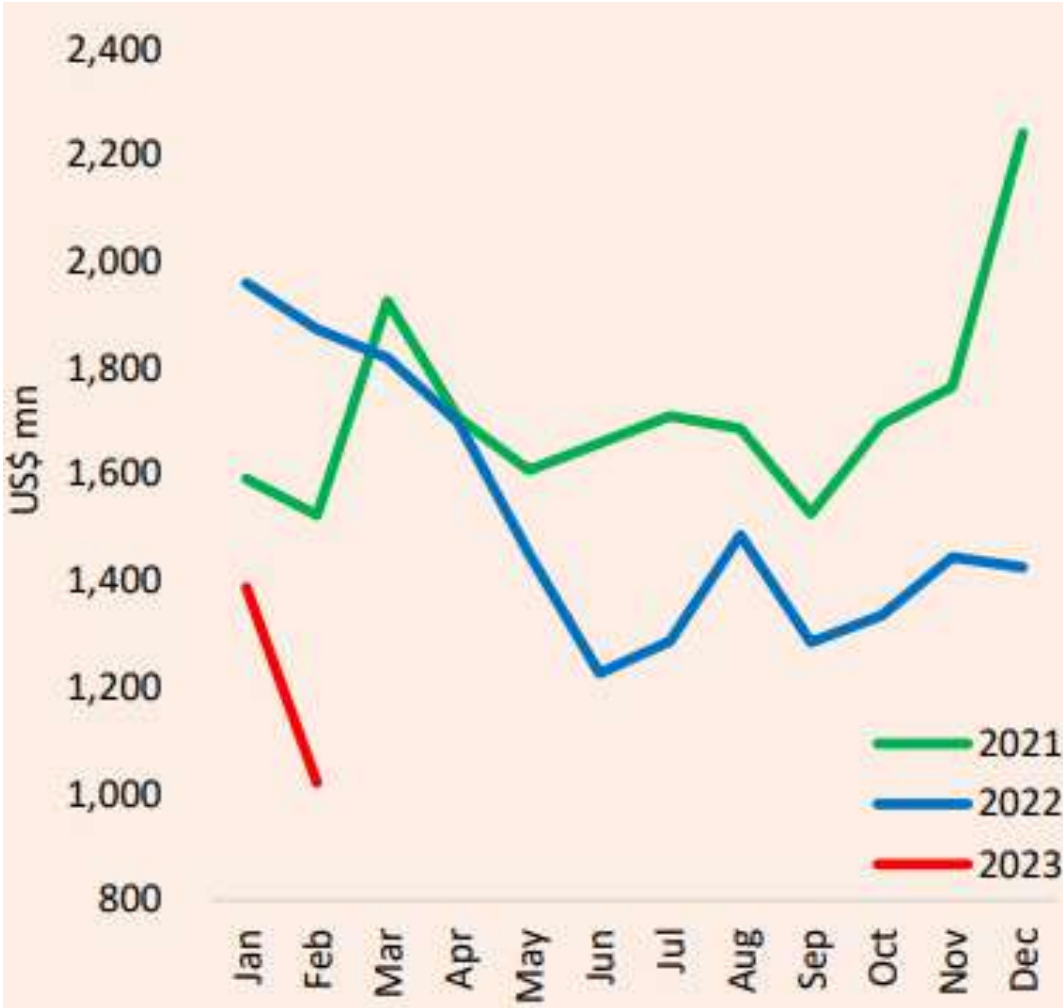
Coconut-based exports in Jan-Feb 2023 amounted to USD 102.72 Mn (-24.58%) due to a decrease in liquid coconut milk, coconut cream, coconut milk powder, cocopeat, activated carbon, coconut oil and desiccated coconut exports.



Export Performance of Sri Lanka



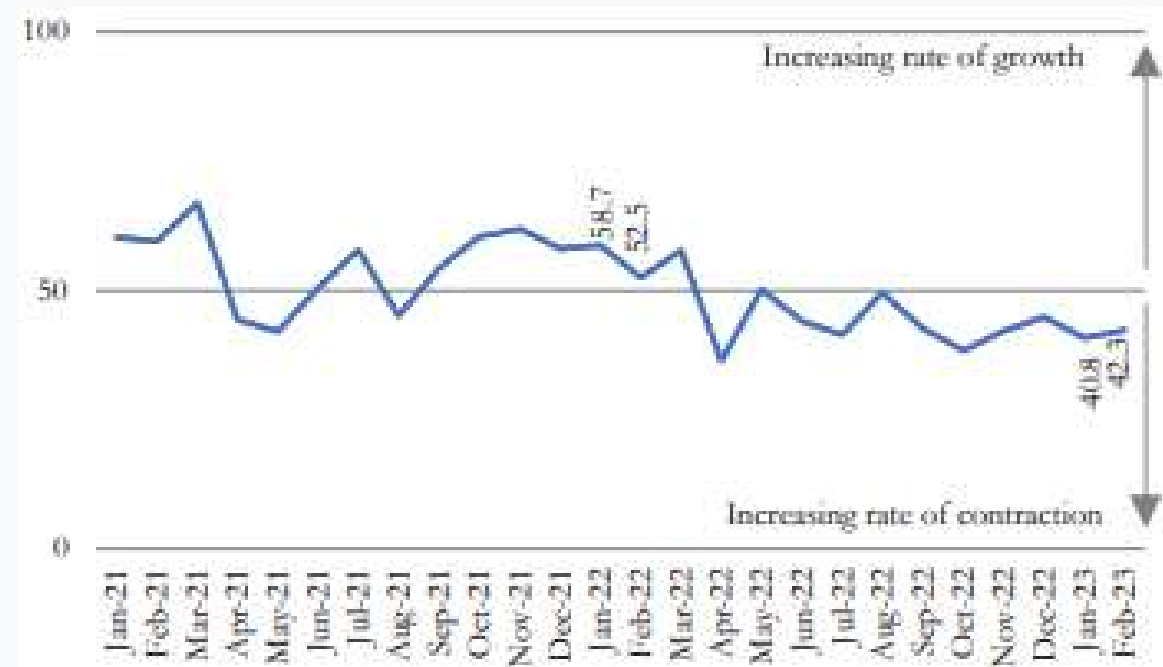
Import Performance of Sri Lanka



Foreign Exchange

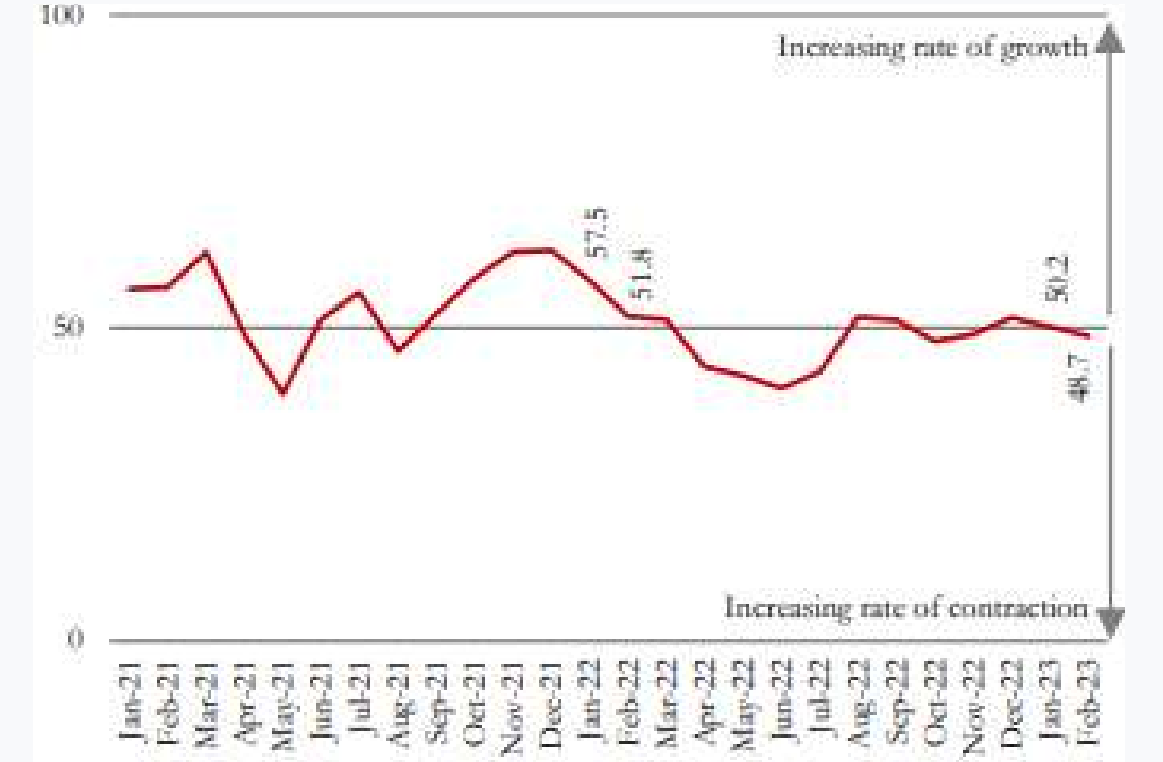
During the year up to 24 March 2023, the Sri Lankan rupee appreciated against the US dollar by 14.0%. Sri Lankan rupee appreciated against the Euro by 11.8%, the pound sterling by 12.2%. As of 28 February 2023, Official Reserve Assets (USD Mn) amounted to USD 2,217 Mn. This includes proceeds from the People's Bank of China (PBOC) swap equivalent to around USD 1.4 bn, which is subject to conditionalities on usability.

Manufacturing Purchasing Managers’ Index



Manufacturing PMI recorded an index value of 42.3 in February 2023, with a marginal increase from 40.8.

Services Purchasing Managers’ Index



Services PMI dropped to an index value of 48.7 in February 2023.

Tourism Sector

The total number of international tourist arrivals to Sri Lanka during Jan-Feb 2023 was 210,184. This is an increase of approx. 15% compared to last year.

Europe became the largest source of tourist traffic to Sri Lanka with 66.1%% of the total traffic received in January 2023.

Demand from countries such as the Russian Federation, UK, Germany, and France contributed to this increase in tourism. Germany accounted for 7.4% of the tourists amounting to 7,930 in February.

Top primary markets for tourists to Sri Lanka - February 2023







## Upcoming Events

### **HR Committee Meeting** **Date: 19 April 2023**

The HR sector committee aims to facilitate a platform for professionals in the field of Human Resources to meet and discuss the common challenges and feasible solution to HR rising issues in the workforce. Representatives from German business in Sri Lanka will meet to discuss and share the best practices with industry peers.

#### **Who is it for?**

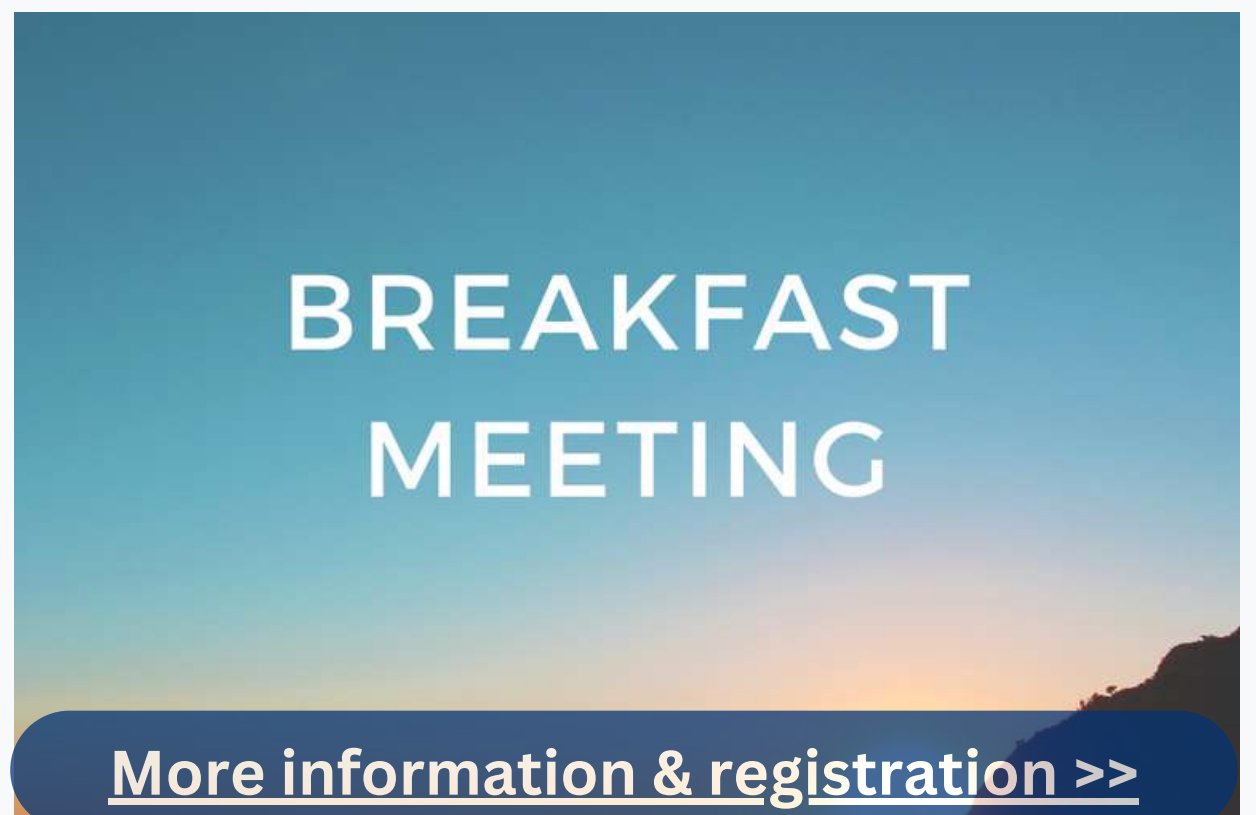
HR Managers and Industry Professionals



[More information & registration >>](#)

### **Breakfast Dialogue:** **Sustainability and Due Diligence** **Date: 20 April 2023**

The awareness session aims to provide an introductory presentation on the German Supply Chain Due Diligence Act (SCDDA). AHK Sri Lanka's Premier Partners are invited to the breakfast dialogue meeting to find out about the obligations and expectations by German importers and its' suppliers to identify, remedy, mitigate and effectively communicate on its' supply chain due due diligence processes.



[More information & registration >>](#)

### **Sundowner Event** **Date: 20 April 2023**

Join us for a fun networking event in a casual setting to connect and socialize with associates, professionals and C-level executives. Learn from each other, make connections and improve business relations whilst enjoying the lively ambiance.

#### **Who is it for?**

Representatives of Finance Departments



[More information & registration >>](#)

Stay up-to-date on events of AHK Sri Lanka. Visit [www.ahk.srilanka.ahk.de/events](http://www.ahk.srilanka.ahk.de/events)




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Wirtschaft in Sri Lanka  
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# Due Diligence Course

## Interactive Training Course

This course was created to explain the basics of **human rights and environmental due diligence in respect to the German Supply Chain Due Diligence Act**. It also provides an overview of how to apply these standards within your business.



### WHAT IS IT?

- 16-hour introductory and technical training
- Introduction to Human Rights and Environment Due Diligence methodology when exporting to Germany

### WHO SHOULD ATTEND?

- Heads of Sustainability, Supply Chain and Compliance departments, related executives
- Business owners, entrepreneurs representing SMEs
- Any other professionals who want to upgrade their skills in due diligence

### WHAT WILL YOU LEARN?

- Obtain an in-depth technical understanding of the business due diligence obligations
- Identify the precise characteristics of the German Supply Chain Due Diligence Act
- Evaluate the past performance and future potential of your Company to meet the requirements of German importers/buyers
- Anticipate and deal with the challenges of implementing Human Rights and Environmental Due Diligence (HREDD) in your Company

**WHEN?** 04 & 12 MAY 2023

**WHERE?** AHK SRI LANKA OFFICE, COLOMBO



**Reserve now**

**Registrations before 21 April 2023**

Call us +94 11 2314364 or Email via [events@srilanka.ahk.de](mailto:events@srilanka.ahk.de)

/ Per person

**LKR 25,000**





## Trade Fairs

### Visitor Delegation to Interpack 2023

**Date: 04 - 10 May 2023**



Interpack is the largest packaging and processing trade fair that is going to take place at Dusseldorf where the latest trends & future themes of the global packaging & processing industry will be discussed.

This year, the focus will be on packaging materials, packaging machines and related process technology for the food, beverage, confectionery, bakery, pharmaceutical, cosmetics, non-food and industrial goods sectors. Hot Topics at interpack 2023 include circular economy, resource conservation, digital technologies and product safety.

### Visitor Delegation to transport logistic Munich

**Date: 09 - 12 May 2023**



The transport logistic Munich gives visitors a complete look at the entire process chain of the transport and logistics sector. At the trade fair, more and more exhibitors from Germany and all around the world present their innovative products and services. Transport logistic Munich also features an extensive program of

related events and conferences. Furthermore the trade fair serves as an ideal platform for knowledge transfer and networking. About 2162 exhibitors from 62 countries and 60726 visitors from 123 countries attend the the transport logistic trade fair in Munich.

### Exhibitor Delegation to spoga+gafa

**Date: 18 -20 June 2023**



Spoga+gafa is the world's leading international trade fair for the garden and leisure industry and open to trade visitors only. The fair is characterized by the high internationality of exhibitors and visitors, making it the most important platform in the industry to conquer new markets, to find new contacts and to learn about the latest trends and innovations.

### Visitor Delegation to A+A 2023

**Date: 24 - 27 October 2023**



The A+A provides the world's leading international trade fair as a leading platform for business, communication and information. It covers the entire spectrum of exhibits for Safety and Security. The exhibitors - from small businesses to global players - will present a remarkable portfolio of products, solutions and innovative concepts and themes. About 1,942 exhibitors and 67,248 visitors attend the A + A in Düsseldorf.

**For more information on trade fairs, please contact:**

**Mr. Malintha Gajanayake, Head of Corporate Affairs & Export Promotions via [malintha@srilanka.ahk.de](mailto:malintha@srilanka.ahk.de)**



# Highlights

## DHL joins as a Premier Platinum Partner of AHK Sri Lanka

DHL is the leading global brand in the logistics industry offering an unrivalled portfolio of logistics services ranging from international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air, and ocean transport to industrial supply chain management. With about 380,000 employees in over 220 countries and territories worldwide, DHL connects people and businesses securely and reliably, enabling global trade flows.



## CEOs Dinner

The recent CEOs Dinner held on 20 March 2023 invited Mr. Kaushik Das, Managing Director and Chief Economist for India and South Asia at Deutsche Bank as the guest speaker to provide a local and international macro-economic outlook. During the meeting with CEOs of German and selected Sri Lanka companies, topics such as what companies in Sri Lanka can expect when doing business with the world in 2023, external challenges and risks, growth forecasts, and the road to recovery in the context of Sri Lanka were discussed.



## Construction Sector Committee

The Construction sector committee held on 17 March 2023 with the attendance business representatives, construction related associations, and other stakeholders aimed to foster collaboration and dialogue to propose innovative solutions that tangibly improve safety and capital efficiency in the Sri Lankan construction sector.

During the meeting, AHK Sri Lanka presented information on the prospects to organize a German brands pavilion at the Build SL 2023 - Housing & Construction Expo held from 26th to 28th of May 2023.







# Allianz Lanka's New Head Office at One Galle Face: A Hub of Innovation and Collaboration



Allianz Lanka, one of Sri Lanka's leading insurers, recently unveiled its new Head Office at One Galle Face tower, in the heart of Colombo's business district. A formal opening ceremony was held, on the 23rd of February 2023, to mark this milestone, which was attended by esteemed guests, including Gany Subramaniam, Chairperson, Allianz Lanka; Alan Smee, CEO, Country Manager, Allianz Lanka; Jayalal Hewawasam, CEO, Allianz Life Insurance Lanka Ltd; and Shiromal Cooray and Deepthi Lokuarachchi, representing the Board of Directors, along with members of the Leadership Teams, the Project Team and employees.

This relocation of its Head Office to One Galle Face is in line with Allianz Lanka's strategy to adopt a new work model in a bid to reap the benefits of the post-pandemic paradigm shift in work lifestyles. Accordingly, Allianz Lanka's Head Office has been set up as a hybrid model workspace. It has facilities that allow for improved productivity, efficiency, and satisfaction for its people. This strategy revolves around an activity-based office design that features agile workspaces, elements that improve mental health, and the implementation of sustainable practices to deliver the best services to customers, business partners, and employees.

Speaking at the opening ceremony, Gany Subramaniam, Chairman at Allianz Lanka, said, "We are excited to reap the benefits of our new location. Our success is the result of a combined effort from colleagues across the company, who have contributed to the successful completion of the project.

Our new Head Office follows the workspace aesthetics, dynamics and philosophy that is central to Allianz's locations globally. Our new offices are equipped with advanced technologies, have more meeting rooms, collaborative spaces, lounge areas, larger training rooms, a gaming room, wellness centre, multifith room, and a multifunctional Café as well, all to promote an exceptional work experience."

"This hybrid model has proven to have a significant positive impact on employee satisfaction, across our global locations, and enables employees to utilize their time more effectively and maintain a "work-life" balance," added Alan Smee, CEO and Country Manager at Allianz Lanka, "Our new Head Office is a significant milestone in terms of providing our people with the best possible working environment, enabling greater productivity, efficiency, and satisfaction. We are confident that this new workspace, will help inspire creative, effective and innovative solutions in the future."

Allianz Insurance Lanka Ltd. and Allianz Life Insurance Lanka Ltd., known together as Allianz Lanka, are fully-owned subsidiaries of Allianz SE, a global financial services provider with services predominantly in the insurance and asset management businesses, headquartered in Munich, Germany. The global strength and solid capitalization of the Allianz Group, coupled with local expertise and business know-how, are key contributors to Allianz Lanka's success.





# Aitken Spence Travels welcomed inaugural Bulgarian flight for 2023



Aitken Spence Travels (AST) welcomed a charter flight from Bulgaria on 02nd March 2023 to the Mattala Rajapaksa International Airport (MRIA) with 200 holiday makers.

The visitors from Bulgaria will discover Sri Lanka with excursions to explore the vivid culture of the country including Kandy city, the cultural triangle, Pinnawela, the misty mountains of the hill country as well as the classic beaches during their nine days stay in Sri Lanka. Their accommodation choices vary between 4- and 5-star properties along with boutique properties.

One of the leading tour operators in Bulgaria has partnered with AST for this charter flight operation. The agent was privy to presentations made during sales calls last year by the AST team and with persuasion and convincing resulted in this charter flight operation becoming a reality. Furthermore, the agent gained confidence after the successful charter operation from Uzbekistan and other countries handled by the company. Further strengthening the partnership, this high-potential operator is looking forward to operating full capacity flights

to Sri Lanka during the Winter season, this year.

Commenting on the same, the tour operator stated, “This is our inaugural flight to Sri Lanka, and we are looking forward to promoting Sri Lanka at a larger scale. We are confident that our guests will enjoy your beautiful country, and everything will be handled well.”

The company has been successful in winning the trust of agents from new source markets and will continue to make investments in agent education by offering familiarization tours to agents to get a better understanding of the destination and will be helping them with destination promotions. With more visibility for the destination, it is anticipated that potential clients will feel more confident traveling to Sri Lanka.

As an organization leading the way in inbound tourism for 45 years, Aitken Spence Travels will continue to explore new source markets by making significant efforts to promote destination Sri Lanka.





## DHL Express launches GoGreen Plus: First global express courier to give customers the opportunity to use Sustainable Aviation Fuel to reduce emissions



GoGreen Plus is part of Deutsche Post DHL Group's sustainability goal of achieving net-zero emissions by 2050

DHL Express recently announced the launch of GoGreen Plus, a new service that will allow customers to reduce (‘inset’) the carbon emissions associated with their shipments through the use of Sustainable Aviation Fuel (SAF). This is a first for global express carriers, and will initially launch in the UK, shortly followed by Italy, Denmark, Sweden, Canada, Australia, South Africa, and the United Arab Emirates. From February, customers based in these countries will have the option to select GoGreen Plus when choosing their shipping service through MyDHL+, the company’s online shipping and tracking platform. The service is designed to be fully flexible as it can be selected for individual shipments.

GoGreen Plus will become available to all DHL Express customers globally over the coming months, with customers being given the chance to tailor the CO<sub>2</sub>e reduction they want to achieve and the amount of SAF they use.

The new GoGreen Plus service is made possible following DHL’s recent collaborations with bp and Neste to supply SAF to DHL Express hubs around the world. The renewable part of the innovative fuel is produced from waste oils. Such SAF from wastes and residues can provide greenhouse gas emission reductions of up to 80 percent over its lifecycle compared with the

conventional jet fuel it replaces.

John Pearson, CEO DHL Express, says: “We know our customers are committed to reducing their environmental impact so it’s important we’re giving them the means to do so. I’m delighted that our investment in SAF can now be fully leveraged by customers to enable them to bring down the emissions of their shipments. SAF is currently the primary route to reducing carbon emissions in aviation, so this is the most effective way to help our customers make their own supply chains more sustainable.”

Insetting through GoGreen Plus allows customers to bring down their Scope 3 emissions, the indirect greenhouse gas emissions that occur in a company's value chain, including downstream transportation and distribution. Unlike offsetting initiatives, GoGreen Plus (insetting) reduces emissions within the logistics sector and therewith can be used for DHL customers’ own voluntary emission reporting and follows the Science Based Target Initiative (SBTi) philosophy.

The GoGreen Plus service is part of Deutsche Post DHL Group's sustainability goal of achieving net-zero emissions by 2050. It contributes to the interim target of using 30 percent SAF for all air transport by 2030. In line with its Sustainability Roadmap, Deutsche Post DHL Group aims to offer a green alternative for all products and services across all divisions.





# DIMO shines at ACCA Sri Lanka Sustainability Reporting Awards 2022



Caption 1: Mr. Gahanath Pandithage, Group CEO of DIMO; Mr. Suresh Gooneratne, Director / CFO of DIMO; Mr. Sudath Mahagedara, General Manager - Finance of DIMO; and Ms. Thilini Fernando, Manager - Accounts Receivable of DIMO accepting the overall Runner-up award.

Caption 2: Mr. Sudath Mahagedara, General Manager - Finance of DIMO; Ms. Amali De Zoysa, Manager - Management Accounting of DIMO; Mr. Sampath Madurusinghe, Senior Manager - Accounting Operations of DIMO; and Ms. Mega Ganeshan, Manager - Sustainability of DIMO accepting the winner award in the Conglomerates and Diversified category.

DIMO, a leading diversified conglomerate in Sri Lanka, was recognized as the Overall Runner Up as well as the Winner in the Conglomerates & Diversified category at the prestigious ACCA Sri Lanka Sustainability Reporting Awards 2022.

Gahanath Pandithage, Group Chief Executive Officer of DIMO shared his thoughts on the win. "This is a phenomenal achievement for the company, and as the perfect sustainability partner, we will always remain committed to fuelling the dreams and aspirations of all the communities we serve, by continuously creating sustainable solutions that have a positive impact on society, environment and the economy."

It was observed by the judges of the ACCA Sri Lanka Sustainability Reporting Awards 2022 that DIMO's 2021/2022 annual report is a testament to the company's commitment to evolving, in tune with the requirement of sustainability. They also stated that the company's desire to better its performance and be innovative in its reporting is clearly visible in the latest outstanding annual report.

Outlining the rationale for recognizing DIMO as the winner in the Conglomerates & Diversified category, the judges also noted that the company made a significant shift in its business direction towards agricultural solutions to improve economic sustainability and address the national priority of food security. This change is evident in the company's evolved operations, including three Agri techno parks dedicated to research and development, continuous farmer education, and the production of organic fertilizer while catering to every aspect in the agriculture value chain.

Apart from its agricultural solutions, DIMO has also facilitated the provision of safe drinking water for many households, through executing government's rural water supply schemes. Ambatale Water Supply System Improvement and Energy Saving project which facilitates a 16% reduction in energy cost is another significant project by DIMO which showcases its efforts towards sustainability.

DIMO's expansion into areas beyond motor engineering such as education, medical, water, power and energy is another indicator of its focus on sustainable solutions that are directly related to Sustainable Development Goals (SDGs). This diversification is also reflected in the company's value creation model, which is well-defined in the 2021/2022 annual report. The judges' report further emphasized on the company's commitment to training and development which was evident in the establishment of its own outbound training centre for internal training. This move aptly showcases the company's dedication to investing in its employees, a vital aspect of ensuring business sustainability.

The company has outlined its sustainability agenda up to 2030 and provided Environmental, Social, and Governance (ESG) assurance, portraying its commitment to responsible business practices in its award winning 2021/2022 annual report. DIMO's recognition as the Overall Runner Up and the Winner in the Conglomerates & Diversified category is a testament to its commitment to sustainable practices and development, and is a positive step towards achieving the SDGs and ensuring a sustainable future for all.





## Hafele India: Paving Way for The Future Change in Management



Hafele India, undergoes a major personnel change on its 20th birthday as a wholly owned subsidiary of the International Hafele Group (headquartered in German). After 21+ years of managing all Business Operations of the Hafele Group in South Asia including India, Sri Lanka, Bangladesh, Bhutan, Maldives and Nepal, Mr. Jurgen Wolf decided to retire and hand over the management of the company to Mr. Frank Schloeder on the 1st of February 2023.

With a long-standing motto of the company to be 'future ready', Hafele India aims to confidently underline its launch into the future with this change at the top. Over the past few months, Mr. Schloeder has been closely inducted into the culture and operations of Hafele first at the headquarters in Nagold (Germany) and then by Mr. Wolf in special context of region South Asia. The passing of the management reins happened strategically over the last two month with 31st January 2023 being the last working day of our now retired MD, Mr. Jurgen Wolf.

### Paving way for the future

Having a core interest of setting up new markets, Mr. Wolf took the Indian Subsidiary from a mere liaison office to the multi-regional Interiors Specialist that it is today. Over the last 21+ years, he has been instrumental in setting up new markets for Hafele in different parts of South Asia through a well-established trade network and an exclusive Hafele Franchise set-up. He started with a team of 10 employees back in 2001 and has, over the years, hired and

developed a talent pool of over 1500 employees who cater to all possible customers through their individual competencies in business.

Under his astute leadership, Hafele India successfully aligned its product and service offerings to match the consumption pattern and lifestyles of South Asia, perceiving their unique needs and preferences and delivering solutions that cater to the local market requirements. This led to innovative product introductions such as the Altius FS Hobs that are engineered to be fully sealed reducing seepage (a recurring problem faced by South Asian households), Terra Quartz Surfaces that host a range of contemporary colours and textures, Hafele's Space Square Transformable Furniture Fittings Range that virtually multiplies the space available as well as services like Meister that offers complete installation of technical products from Häfele, by trained service technicians at a nominal service charge. Furthermore, the scope of Hafele India's product range expanded to include not only luxury offerings but also premium and affordable premium options, all adhering to the brand's hallmark standards of quality.

Speaking about his successor, Mr. Wolf affirmed "After working closely with Frank for the last 2-3 months, I have discovered that we hold very similar outlooks and value sets and in essence are very similar people. We are confident that he is the right person to lead the company forward and I am very excited to see what the future holds."



## Shaping a formidable future

Having more than 25 years of experience with the BMW Group (a German multinational manufacturer of luxury vehicles and motorcycles), Mr. Frank Schloeder, the current Managing Director of Hafele South Asia, holds a truly international career spanning across different countries like Germany, France, and India. He carries a dual degree in International Studies in Business Administration from University of Munster, Germany and Montpellier Business School, France.

He has had the good fortune of gaining experience in different fields including Marketing and Sales, Product Management, Business Planning, Strategy and Operations giving him a comprehensive business understanding. Mr. Schloeder, with his vast experience, has been instrumental in unlocking market potentials, developing strong business strategies, exploring new revenue channels and building strategic brand presence and sales in emerging markets for the automobile giant. During his 4-year stint in India (through his earlier organization), first as Director-Marketing and later as President, Mr. Schloeder was able to understand the unique nuances of the Indian culture and device be-fitting strategies for this

market and build an impactful brand positioning in India. Having an expansive yet diverse career trajectory has given him immense exposure to various cultures and value sets. His curiosity and eye for details as well as his ability to empower the people he works with, have been instrumental in building his overall professional outlook and backed his business success.

Bringing this rich and diverse experience to Hafele, Mr. Frank Schloeder looks forward to harnessing his competencies with respect to unlocking market potential, customer experience, brand management and digitalization to establish future capabilities of building a robust value chain and developing a strong connect with end consumers. Speaking about shaping a formidable future, Mr. Schloeder states “I truly believe that the entire business process should pivot around the customer, and it is this unified customer-centric approach that will eventually deliver sustainable success for any organization.” He further added “ I am grateful to Jurgen for supporting and guiding me in the past few months. I admire and respect him for the company he has built from ground up and take this responsibility of nurturing it and driving it to excellence very seriously.”

**spoga+gafa**

**—  
world's leading international  
trade fair for the garden and  
leisure industry**

18 – 20 June 2023

Key Segments:



**Garden Living**



**Garden BBQ**



**Garden Creation  
and Care**



**Garden Unique**



For more information, please contact Malintha Gajanayake  
(Head of Corporate Affairs/Export Promotion at AHK Sri Lanka )  
via [malintha@srilanka.ahk.de](mailto:malintha@srilanka.ahk.de)

Click here: [Exhibitor Delegation to spoga+gafa 2023](#)





# HAYLEYS

APRIL 2023

# TRAVELS



## SRI LANKAN AIRLINES TO TAKE TO CHINA'S SKIES AGAIN



SriLankan Airlines is set to renew its commercial operations to China in the first week of April 2023, with a thrice weekly service each to Shanghai, Beijing and Guangzhou as China reopens its borders.

Accordingly, flights will depart from Colombo to Shanghai every Monday, Thursday and Friday, and return from Shanghai to Colombo every Tuesday, Friday and Saturday, respectively.

With Chinese travellers eager to make up for lost time in globetrotting, SriLankan will be working closely with the local travel trade to reignite enthusiasm for Sri Lanka as a leisure destination in China.



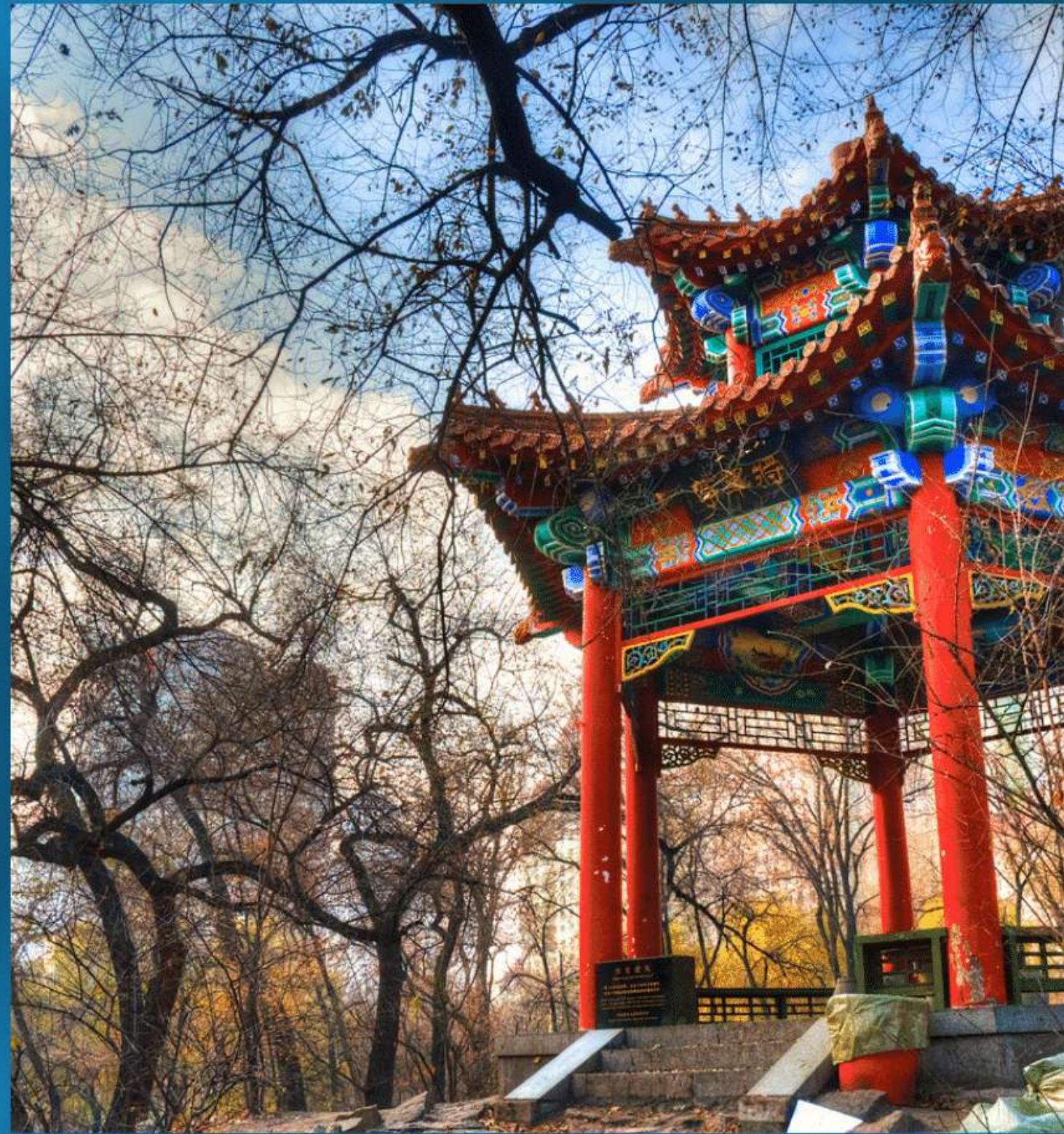
# NOTICE

## China to resume issuing all types of visas to foreigners

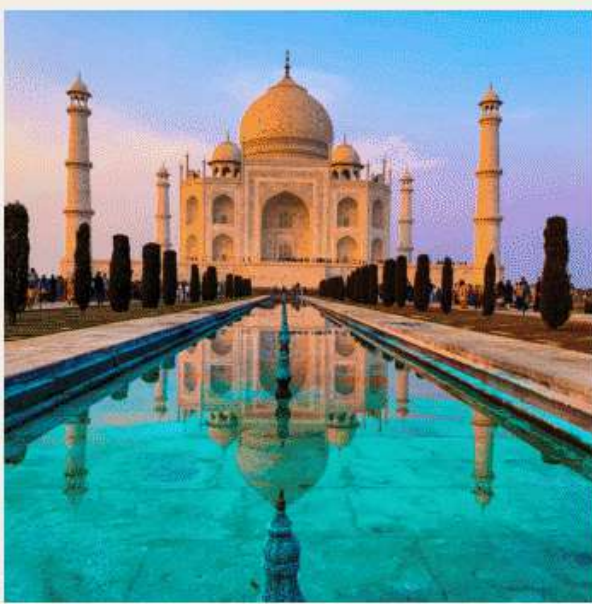
Starting from March 15, 2023, China will resume issuing all types of visas to foreign nationals, ending the cross-border control measures it imposed in response to the COVID-19 pandemic three years ago.

On March 14, 2023, the Chinese foreign ministry announced that certain areas in China, such as Hainan Island and Shanghai port, which previously allowed entry without visas, will once again allow visa-free entry.

In addition, foreign visitors from Hong Kong and Macau will be permitted to enter the southern manufacturing center of Guangdong without visas.



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## Celebrating 2022 success of Würth Group with CMTA expo.

Würth Lanka recently held an event to celebrate the Würth Groups success Globally, during the year 2022 and the visit of Christian Olsen – Senior Vice President Asia Region, Würth Group. The Expo of CMTA - Ceylon Motor Traders Association, attended the event to network and exchange business climate in the automotive market segment.

Würth Group, the global market leader in the development, production and sale of assembly and fastening materials, once again proved its competitive strength and stability in the 2022 fiscal year. Reaching a new record of 19.95 billion EURO in a turbulent world economy.

Würth Lanka too as the tiny baby managed to be on top with the worst ever condition in Sri Lanka.

Speaking at the event Christian Olsen said that Würth, like many other businesses worldwide are operating in difficult economic and political conditions. The war in Ukraine, material and supply shortages, and price increases continue to be challenging. He therefore thanked the more than four million customers worldwide for their trust in Würth services and suppliers for their cooperative partnerships. He also thanked

and commended the Würth Lanka team for having achieved remarkable results while navigating the added difficulties of a collapsed economy in Sri Lanka. “We can rely on the strength of our corporate culture, the solidarity of all employees and, of course, the support of a family business in times of crisis” said Olsen.

“Operating in this fragile, interdependent environment will remain a key challenge in 2023. Despite all crises, we will maintain last year’s momentum and positive spirit, stay optimistic and act with caution,” said Christian. Speaking at the event Mr. Rohan Amirthiah, MD/CEO, thanked the CMTA members for trusting in Würth for the last 22 years. Würth Lanka has been resilient and did not send any employee home, rather paid their salaries and was still able to service its clients.

Würth Lanka also show cased many products and solutions, to the CMTA members that could help the members to create profits in their aftermarket activities, when the car imports are restricted.

The event was held at the JAIC Hilton residencies.







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# The future of apparel manufacturing using Digital Product Creation

By Anupama Fernando (Digital Evangelist at MAS Holdings)

A digital twin has the power to change the way products are created, made, and sold. Digital twins (DTs) that look and fit like its intended physical counterpart, would bring about value creation beyond a few samples or weeks of saving. A true to life digital twin could dramatically transform the E2E process from creation to consumer.

Taking decisions digitally and early means a faster development calendar that is now closer to the season. Products are far more relevant and fresher, creating positive impact in mark downs, write off and returns. At MAS, our digital twins can move end to end from concept to salesman. Our mission is to enable as many digital decisions as possible and build in expertise in digital to physical translation to achieve a first time right physical product in every stage of sampling. Our Digital Product Creation (DPC) is built on decades of expertise in product craftsmanship and best practices of the physical workflow.

Even though 3D authoring tools may not be mature enough to replicate all work associated with a physical sample, expertise in both physical and digital product development can reduce the gap to a great extent. Leveraging the capability we have built, we develop 3,000 unique DTs annually across 50 brands.

Craftsmanship is at the heart of true to life digital twins. The challenge around transferring craftsmanship to digital product depends on the skill set of the talent that develops a DT. A creative 3D artist with access to a good rendering engine can develop a life like digital product. However, the skill set for a true to life DT requires a whole host of skills from knowledge on authoring tools, technical product knowledge, material behavior, fit technology, and a creative skill set. Achieving a first time right physical sample requires the digital sample to be built in a way that keeps the end goal in mind, which is - a technically accurate DT that can now be translated to a physical product. Driving adoption in DPC means building trust in digital samples. Trust is established when brands believe that the vendor partner has the right physical and digital skill set to translate from DT to a first time right physical product. Partner appreciates what the digital twin can and cannot do, when to manipulate the garment to achieve visual accuracy and when not to. With a decade of continuous learning and collaborative effort across brands and technology partners, we have achieved considerable authenticity in our Digital Twins. Achieving sustainable value creation in digital twins means having the right talent, scalable workflows, organization wide strategy and collaborative partnerships.

Extracts from [The Digital Product Creation in Fashion Report: 2022 - The Interline](#)





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